





STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

Benefit, Employment and Support Services Division
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

March 15, 2004

MEMORANDUM

To: All Interested Applicants

From:  Lillian B. Koller, Esq., Director 

SUBJECT: **REQUEST FOR PROPOSALS (RFP) HMS 302-04-02-S:
NUTRITION CONSULTATION AND REVIEW**

The Department seeks to purchase the services listed above and described in the attached RFP. The RFP provides information to assist applicants in the preparation of program plans and a budget, including: (1) a description of the services sought; (2) the requirements to be met by the provider; (3) the criteria by which qualifying proposals shall be reviewed/rated; and (4) the criteria for monitoring and evaluating the services.

Applicants are to review the RFP very closely and address all parts of the RFP. The Department has scheduled an informational meeting on **Wednesday, March 24, 2004 from 1:30 p.m. – 3:30 p.m.** at the Benefit, Employment and Support Services Division, Haseko Center, 820 Mililani Street #606, Honolulu, Hawaii. Program staff from the Department will be present at this session to review the RFP requirements and address any questions.

In order for the Department to consider proposals, all applicants must submit one (1) original and three (3) copies of the proposal to the address in the letterhead via hand-delivery no later than 4:30 p.m., or postmarked U.S. mail by the deadline of **April 15, 2004**. Proposals and material not requested by the Department or submitted after the deadline will not be accepted for consideration.

PROPOSAL MAIL-IN AND DELIVERY INFORMATION SHEET

ONE ORIGINAL AND THREE (3) COPIES OF THE PROPOSAL ARE REQUIRED.

**ALL MAIL-INS MUST BE POSTMARKED BY USPS BEFORE 12:00 MIDNIGHT,
APRIL 15, 2004**

All Mail-ins

Department of Human Services
Benefit, Employment and Support Services Division
Employment and Child Care Program Office
Haseko Center
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

DHS RFP COORDINATOR

Julie Morita
For further info. or inquiries
Phone: 586-7058

**ALL HAND DELIVERIES WILL BE ACCEPTED AT THE FOLLOWING SITE UNTIL
4:30 P.M., APRIL 15, 2004**

Drop-off Site

Department of Human Services
Benefit, Employment and Support Services Division
Employment and Child Care Program Office
Haseko Center
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

**BE ADVISED: ALL MAIL-INS POSTMARKED USPS AFTER 12:00 MIDNIGHT,
APRIL 15, 2004, WILL NOT BE ACCEPTED FOR REVIEW AND WILL
BE RETURNED.**

**HAND DELIVERIES WILL NOT BE ACCEPTED AFTER 4:30 P.M.,
APRIL 15, 2004.**

**DELIVERIES BY PRIVATE MAIL SERVICES SUCH AS FEDEX
SHALL BE CONSIDERED HAND DELIVERIES AND WILL NOT BE
ACCEPTED IF RECEIVED AFTER 4:30 P.M., APRIL 15, 2004.**

STATE OF HAWAII
STATE PROCUREMENT OFFICE
POS PROPOSAL APPLICATION TITLE PAGE

STATE AGENCY ISSUING RFP: _____
RESPONSE TO RFP#: _____ **RFP TITLE:** _____

Check one:

- ☐ INITIAL POS PROPOSAL APPLICATION
☐ FINAL REVISED PROPOSAL (COMPLETED ITEMS _____ - _____ ONLY)

1. APPLICANT INFORMATION:
LEGAL NAME: _____

DBA: _____

STREET ADDRESS: _____

MAILING ADDRESS: _____

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

NAME _____

Title _____

Phone # _____

Fax # _____

e-mail _____

3. TYPE OF BUSINESS ENTITY:

- ☐ NON PROFIT CORPORATION
☐ FOR PROFIT CORPORATION
☐ LIMITED LIABILITY COMPANY
☐ SOLE PROPRIETORSHIP
☐ PARTNERSHIP

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

6. SSN (IF AN INDIVIDUAL): _____

7. DESCRIPTIVE TITLE OF APPLICANT'S PROGRAM:

8. TARGET GROUP:

9. GEOGRAPHIC AREA(S) APPLICANT IS ABLE TO SERVE:

- | | |
|---------------------------------------|---|
| <input type="checkbox"/> EAST HAWAI'I | <input type="checkbox"/> KAUAI |
| <input type="checkbox"/> WEST HAWAI'I | <input type="checkbox"/> LEEWARD O'AHU |
| <input type="checkbox"/> MAUI | <input type="checkbox"/> CENTRAL O'AHU |
| <input type="checkbox"/> MOLOKA'I | <input type="checkbox"/> WINDWARD O'AHU |
| <input type="checkbox"/> LANA'I | <input type="checkbox"/> HONOLULU |

10. GENERAL POPULATION(S) APPLICANT IS ABLE TO SERVE:

- ☐ INFANTS AND TODDLERS: 0-3 YEARS OF AGE
☐ CHILDREN 3-5 YEARS OF AGE
☐ CHILDREN: 5-10 YEARS OF AGE
☐ ADOLESCENTS: 10-18 YEARS OF AGE
☐ ADOLESCENTS & ADULTS: 18-21 YEARS OF AGE
☐ ADULTS: 21-59+ YEARS OF AGE
☐ ELDERS: 60+ YEARS OF AGE
☐ FAMILIES

11. FUNDING REQUEST:

FY ____:
FY ____:
FY ____:
FY ____:

TOTAL: _____

12. LICENSING AND BUSINESS STATUS QUALIFICATION:

- ☐ APPLICANT IS PREREGISTERED.
☐ APPLICANT IS NOT PREREGISTERED-FORM SPO-H-100A AND REQUIRED DOCUMENTATION IS ATTACHED.

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

NAME & TITLE

DATE SIGNED

POS Proposal Application

I. Background and Summary

II. Experience and Capability

A. Necessary Skills and Experience

B. Quality Assurance and Evaluation

C. Coordination of Services

D. Facilities

III. Personnel: Project Organization and Staffing

A. Proposed Staffing

B. Staff Qualifications

C. Supervision and Training

D. Organization Chart

Both the “Organization-wide” and “Program” organization charts shall be attached to the POS Proposal Application.

IV. Service Delivery

V. Financial

A. Pricing Structure

The following budget form(s) are submitted with the POS Proposal Application:

B. Other Financial Related Materials

VI. Other

A. Litigation

Request For Proposals (RFP)

Issued by:

State of Hawai'i

Department of Human Services
Benefit, Employment and Support Services
Division

for

“Nutrition Consultation and Review”

RFP Number: HMS-302-04-02-S

March 15, 2004

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B POS Proposal Application - Sample Table of Contents

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D Instructions for SPO-H-205B Organization-Wide Budget by Programs

E General Conditions

F Special Conditions

Section 1

Administrative

Overview

Section 1

Administrative Overview

Applicants are encouraged to read each section of the RFP thoroughly. While sections such as the administrative overview may appear similar among RFPs, state purchasing agencies may add additional information as applicable. It is the responsibility of the applicant to understand the requirements of *each* RFP.

I. Authority

This RFP is issued under the provisions of the Hawaii Revised Statutes, Chapter 103F and its administrative rules. All prospective applicants are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective applicant shall constitute admission of such knowledge on the part of such prospective applicant.

II. RFP Organization

This RFP is organized into five sections:

Section 1, Administrative Overview--Provides applicants with an overview of the procurement process.

Section 2, Service Specifications--Provides applicants with a general description of the tasks to be performed, delineates applicant responsibilities, and defines deliverables (as applicable).

Section 3, POS Proposal Application Instructions--Describes the required format and content for the proposal application.

Section 4, Proposal Evaluation--Describes how proposals will be evaluated by the state purchasing agency.

Section 5, Attachments --Provides applicants with information and forms necessary to complete the application.

III. Contracting Office

The Contracting Office is responsible for overseeing the contract(s) resulting from this RFP, including system operations, fiscal agent operations, and monitoring and assessing provider performance. The Contracting Office is:

Employment, Child Care Program Office
Department of Human Services, State of Hawai'i
Benefit, Employment & Support Services Division
Haseko Center, 820 Mililani Street #606
 Phone: (808) 586-7058 Fax: (808) 586-5744

IV. Procurement Timetable

Activity	Scheduled Date
Public notice announcing RFP	<u>03/14/04</u>
Distribution of RFP	<u>03/15/04</u>
RFP orientation session	<u>03/24/04</u>
Closing date for submission of written questions for written responses	<u>03/29/04</u>
State purchasing agency's response to applicants' written questions	<u>04/02/04</u>
Discussions with applicant prior to proposal submittal deadline (optional)	<u>N/A</u>
Proposal submittal deadline	<u>04/15/04</u>
Discussions with applicant after proposal submittal deadline (optional)	<u>N/A</u>
Final revised proposals (optional)	<u>N/A</u>
Proposal evaluation period	<u>Week of 4/19/04</u>
Provider selection and award	<u>Week of 4/19/04</u>
Notice of statement of findings and decisions	<u>Week of 4/19/04</u>
Contract start date	<u>07/01/04</u>

V. Orientation

An orientation for applicants in reference to the request for proposals will be held on March 24, 2004 from 1:30 p.m. to 3:30 p.m., at Haseko Center, 820 Mililani Street, #606, Honolulu, Hawaii 96813. Applicants are encouraged to submit written questions prior to the orientation. Impromptu questions will be permitted and spontaneous answers provided at the orientation at the state purchasing agency's discretion. Verbal answers provided at the orientation are only intended as general direction and may not represent the state purchasing agency's position. Formal official responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation, but no later than the submittal deadline for written questions indicated in the next paragraph (VI. Submission of Questions) in order to generate a written state purchasing agency response.

VI. Submission of Questions

Applicants may submit questions to the RFP Contact Person identified in Section 2 of this RFP. The deadline for submission of written questions is 4:30 p.m. H.S.T., on March 29, 2004. All written questions will receive a written response from the state purchasing agency. State purchasing agency responses to applicant written questions will be sent by April 2, 2004.

VII. Submission of Proposals

Proposals must contain all components. Please refer to the Competitive POS Application Checklist (Section 5, Attachment A) for information on: 1) where to obtain the forms/instructions; 2) additional program specific requirements; and 3) the order in which all components of the application should be assembled and submitted to the state purchasing agency. Proposals must contain the following components:

- (1) ***POS Proposal Application (Form SPO-H-200A), including Title Page (Form SPO-H-200) and Table of Contents*** - Applicant shall submit comprehensive narratives that addresses all of the issues contained in the POS Proposal Application Instructions, including a cost proposal/budget. (Refer to Section 3 of this RFP.)
- (2) ***Competitive POS Application Check List*** – Provides applicants with information on where to obtain the required forms; information on program specific requirements; and the order in which all components should be assembled and submitted to the state purchasing agency.
- (3) ***Registration Form (SPO-H-100A)*** – If applicant is not pre-registered with the State Procurement Office (business status), this form must be submitted with the application. If applicant is unsure as to their pre-registration status, they may check the State Procurement Office website at:
<http://www.spo.hawaii.gov>
 Click on *Procurement of Health and Human Services*
 Click on *Provider Lists...The Registered List of Private Providers for Use with the Competitive Method of Procurement*
 or call the purchasing agency at 586-7058 or the State Procurement Office at 587-4706.
- (4) ***Certifications*** - Federal and/or State certifications, as applicable.
- (5) ***Program Specific Requirements*** - Additional program specific requirements are included in Sections 2 and/or 3, Service Specifications and the POS Proposal Application, as applicable.

Multiple or alternate proposals shall **not** be accepted unless specifically provided for in Section 2 of this RFP. In the event alternate proposals are **not** accepted and an applicant submits alternate proposals but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the applicant.

One original and three copies of the proposal are required. Proposals must be postmarked or hand delivered by the date and time designated on the Proposal Mail-In and Delivery Information Sheet attached to this RFP. Any proposal post-marked or received after the designated date and time shall be rejected.

Telefacsimile transmission, use of electronic mail, or submission of proposals on computer diskettes are not authorized.

VIII. Discussions with Applicants Prior to, or After Proposal Submittal Deadline

Discussions may be conducted with applicants who submit proposals determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with the administrative rules.

IX. Additional Materials and Documentation

Upon request from the state purchasing agency, each applicant shall submit any additional materials and documentation reasonably required by the state purchasing agency in its evaluation of the proposals.

X. RFP Amendments

The State reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals.

XI. Final Revised Proposals

The applicant's final revised proposal, *as applicable* to this RFP, must be postmarked or hand delivered by the date and time specified by the state purchasing agency. Any final revised proposal post-marked or received after the designated date and time will be rejected. If a final revised proposal is not submitted, the previous submittal will be construed as their best and final offer/proposal. *Only the section(s) of the proposal that are amended shall be submitted by the applicant, along with the POS Proposal Application Title Page (SPO-H-200).* After final revised proposals are received, final evaluations will be conducted for an award.

XII. Cancellation of Request for Proposal

The request for proposal may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

XIII. Costs for Proposal Preparation

Any costs incurred by applicants in preparing or submitting a proposal are the applicants' sole responsibility.

XIV. Provider Participation in Planning

Provider participation in a state purchasing agency's efforts to plan for or to purchase health and human services prior to the state purchasing agency's release of a request for proposals, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals if conducted in accordance with sections 3-142-203 and 3-143-618 of the Hawaii Administrative Rules for Chapter 103F, HRS.

XV. Rejection of Proposals

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and comply with the service specifications. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any one or more of the following reasons: (Relevant sections of the Hawaii Administrative Rules for Chapter 103F, HRS are parenthesized)

- (1) Rejection for failure to cooperate or deal in good faith.
(Section 3-141-201)
- (2) Rejection for inadequate accounting system. (Section 3-141-202)
- (3) Late proposals (Section 3-143-603)
- (4) Inadequate response to request for proposals (Section 3-143-609)
- (5) Proposal not responsive (Section 3-143-610 (1))
- (6) Applicant not responsible (Section 3-143-610 (2))

XVI. Opening of Proposals

Upon receipt of proposal by a state purchasing agency at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-

stamped and, when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties.

XVII. Notice of Award

A Notice of Award containing a statement of findings and decision shall be provided to all applicants by mail upon completion of the evaluation of competitive purchase of service proposals.

XVIII. Protests

Any applicant may file a protest (using a prescribed form provided by the administrator of the State Procurement Office available on the State Procurement Office Website whose address is on the Competitive POS Application Checklist located in the Attachments section of this RFP) against the awarding of the contract as long as an original and two copies of the protest is served upon the head of the state purchasing agency that conducted the protested procurement, and the procurement officer who handled the protested procurement, by United States mail, or by hand-delivery. A Notice of Protest regarding an award of contract and related matters that arise in connection with a procurement made under a competitive purchase of services shall be served within five working days of the postmark of the notice of findings and decision sent to the protester. The Notice of Protest form, SPO-H-801, is available on the SPO website (see the POS Proposal Checklist in Section 5 of this RFP). Only the following matters may be protested:

- (1) a state purchasing agency's failure to follow procedures established by Chapter 103F of the Hawaii Revised Statutes;
- (2) a state purchasing agency's failure to follow any rule established by Chapter 103F of the Hawaii Revised Statutes; and
- (3) a state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

Head of State Purchasing Agency	Procurement Officer
Name: Lillian B. Koller, Esq.	Name: Edwin Igarashi
Title: Director	Title: Fiscal Management Officer
Mailing Address: P.O. Box 339 Honolulu, Hawaii 96809-0339	Mailing Address: P.O. Box 339 Honolulu, Hawaii 96809-0339
Business Address: 1390 Miller Street Honolulu, Hawaii 96813	Business Address: 1390 Miller Street Honolulu, Hawaii 96813

XIX. Availability of Funds

The award of a contract and any allowed renewal or extension thereof, is subject to allotments to be made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, Hawaii Revised Statutes, and subject to the availability of State and/or Federal funds.

XX. Criteria by Which the Performance of the Contract Will be Monitored and Evaluated

The criteria by which the performance of the contract will be monitored and evaluated are:

- (1) Performance/Outcome Measures
- (2) Output Measures
- (3) Quality of Care/Quality of Services
- (4) Financial Management
- (5) Administrative Requirements

XXI. General and Special Conditions of Contract

The general conditions that will be imposed contractually are on the SPO website (see the POS Proposal Application Checklist in Section 5 of this RFP for the address). Special conditions may also be imposed contractually by the state purchasing agency, as deemed necessary.

XXII. Cost Principles

In order to promote uniform purchasing practices among state purchasing agencies procuring health and human services under Chapter 103F, HRS, state purchasing agencies will utilize standard cost principles outlined in Form SPO-H-201 which is available on the SPO Website (see the POS Proposal Application Checklist in Section 5 of this RFP). Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

Section 2

Service Specifications

Section 2

Service Specifications

I. Introduction

A. Background

The mission of the State of Hawaii's Department of Human Services (DHS) is to provide quality, efficient and effective services designed towards achieving self-sufficiency for clients as quickly as possible. Its child care licensing program strives to promote high quality, developmentally appropriate programs for children and their families.

B. Purpose or Need

The DHS is the State's Lead Agency for the federal Child Care and Development Fund Block Grant. The purpose of this grant is to increase the quality of early childhood education and care programs.

The DHS is interested in continuing to improve the nutrition that children in licensed child care facilities receive. Child care facilities are required to either enroll in the USDA Food Program or have their menus reviewed by a qualified nutrition consultant. As the number of resources for nutrition consultation decrease, this contract serves to continue to provide the services that are needed to insure the nutritional needs of children.

Planning for this activity included discussions with the Department of Health, University of Hawaii's Human Nutrition, Food and Animal Sciences Department, Department of Education, licensed child care providers, and child care licensing staff.

C. Description of the goals of the service

The goals of this service are as follows:

1. Insure that child care facilities not enrolled with the USDA Food Program are able to meet the licensing requirements in the area of nutrition reviews for the meals that they serve.
2. Provide nutrition consultation for licensed child care providers (family child care and group child care facilities).
3. Provide nutrition consultation for child care licensing staff.

D. Description of the target population to be served

Services will be provided to all licensed child care providers and child care licensing staff.

E. Geographic coverage of service

This service will be available on a statewide basis.

F. Probable funding amounts, source, and period of availability

A maximum amount of \$100,000 in federal funds is allocated for the contract period of July 1, 2004 to June 30, 2005. A maximum of \$100,000 is allocated for the succeeding twelve-month period, not to exceed June 30, 2006. The total allocation of funds is subject to the appropriation and availability of funds and may be terminated without liability to either the purchasing agency or the provider in the event funds are not appropriated or available.

II. General Requirements**A. Specific qualifications or requirements, including but not limited to licensure or accreditation**

1. The applicant shall comply with the Chapter 103F, HRS Cost Principles for Purchases of Health and Human Services identified in SPO-H-201 (Effective 10/1//98), which can be found on the SPO website (See Section 5, POS Proposal Checklist, for the website address).
2. The applicant must assure and be responsible for the continuity of service activities in the event of staff illness, medical emergencies, vacancies, or other situations that result in program resources that are less than proposed and contracted for. The provider must not require nor depend on the state agency's staff to provide service activities in the event that program resources are not available due to the above situations.
3. When a disagreement arises between the Provider and the State regarding the performance of specific service activities within contracted specifications, the wishes of the State shall prevail. Failure on the part of the Provider to comply shall be deemed cause for corrective action and subject to contractual remedies.

B. Secondary purchaser participation
(Refer to §3-143-608, HAR)

There are no plans for secondary purchases. After-the-fact secondary purchases will not be allowed.

C. Multiple or alternate proposals

(Refer to §3-143-605, HAR)

☐ Allowed ☒ Unallowed

D. Single or multiple contracts to be awarded

(Refer to §3-143-206, HAR)

☒ Single ☐ Multiple ☐ Single & Multiple

E. Single or multi-term contracts to be awarded

(Refer to §3-149-302, HAR)

☒ Single term (≤ 2 yrs) ☐ Multi-term (> 2 yrs.)

Contract terms:

The initial term of the contract will be twelve months from July 1, 2004 to June 30, 2005, with an option to extend for an additional twelve-month period not to exceed June 30, 2006.

F. RFP contact person

The individual listed below is the sole point of contact from the date of release of this RFP until the selection of the winning provider or providers. Written questions should be submitted to the RFP contact person and received on or before the day and time specified in Section I, Item IV (Procurement Timetable) of this RFP. Contact person is Julie Morita at 586-7058.

III. Scope of Work

The scope of work encompasses the following tasks and responsibilities:

A. Service Activities (Minimum and/or mandatory tasks and responsibilities)

1) Nutrition Reviews

The consultant shall provide nutrition reviews for licensed group child centers that are required to have the review conducted in order to comply with the licensing rules. Also, nutrition reviews shall be conducted for licensed family child care facilities upon request by licensing staff. The consultant shall be familiar with USDA guidelines and conduct nutrition

reviews by comparing the facility's menus with the USDA guidelines to determine whether children are receiving the proper nutrition.

The nutrition review is based on a desk review of the submitted menus. A site visit to the facility for observation purposes may be required, when necessary. Written documentation that a nutrition review has been completed and whether the facility complies with the USDA guidelines shall be submitted to the assigned licensing worker.

2) **Nutrition Consultation**

The consultant shall be knowledgeable about USDA requirements as well as general nutrition based on developmental ages of children in order to provide information to licensed child care providers and child care licensing staff upon request. The information may be shared through electronic means (i.e. telephone, fax, email), however, there may be instances when the consultant must conduct a site visit to the licensed facility for observation purposes.

3) **Coordination With Other Agencies**

The consultant shall coordinate with the Department of Education (the assigned Lead Agency for the USDA Child and Adult Care Food Program), the Department of Health, and the University of Hawaii's Human Nutrition, Food and Animal Sciences Department to insure consistent application of USDA guidelines and requirements.

The consultant shall encourage providers to enroll onto the USDA Food Program

B. Management Requirements (Minimum and/or mandatory requirements)

1) **Personnel**

The applicant shall recruit, hire, train, and supervise the necessary staff to operate the project. The applicant shall also have written position descriptions, requirements and qualifications, policies and procedures for all employees to assure they are qualified to perform the work they are assigned and are properly supervised.

2) **Administrative**

The applicant shall be responsible for purchasing of necessary equipment which may include personal computer packages, chairs, file cabinets, copier, facsimile machine, and desk telephones for the staff. Equipment

purchased with government funds shall be the property of DHS. Funding is also available for office supplies, office space rent, telephone installation, and repair and maintenance of equipment. Staff costs shall include salaries and fringe benefits. "Cost Principles" are to be used as a guide for projected expenses and are found in the POS Manual.

Written policies and procedures are required for all services, including personnel standards, operating procedures, determination of client eligibility, documentation and record-keeping, data gathering and reporting, financial administration, quality assurance, and monitoring and evaluation.

The applicant is required to have a written outcome-based program plan, and an on-going planning and evaluation process for these services.

The applicant, upon request by the State, shall meet with representatives of the State to discuss the progress of the project. The purpose of these visits will be to observe the program operations, examine materials ordered for the project, and examine record-keeping procedures.

3) Quality assurance and evaluation specifications

The applicant shall be responsible for keeping comprehensive records of all expenditures, available for monitoring by DHS staff or designee. These records shall include, but are not limited to: a) Copies of approved purchase orders signed by appropriate authority; b) Copies of invoices; and c) Other appropriate internal accounting statements and reconciliation schedules.

The applicant shall be responsible for keeping comprehensive program records, available for monitoring by DHS staff. Monitoring will consist of comparing reported data with the applicant's documents used to summarize data. These records shall include, but are not limited to: a) Personnel files; b) Notes of staff meetings and training; c) Documentation of the various service activities; and d) Collaborative meetings with DHS and other agencies, organizations and private businesses. Evaluation will consist of comparing projected objectives with outcome performance and analyzing factors producing the results.

The applicant shall have a written quality assurance plan that includes procedures to monitor administrative and program operations, fiscal administration and costs for compliance with all requirements. The quality assurance plan shall also provide for procedures to determine whether clients receive consistent, high quality services. The quality

assurance plan shall also identify roles and responsibilities for on-going implementation.

The applicant shall have a written plan for evaluation of performance in providing the required service, including procedures and methodology to measure, monitor and collect data on outputs and outcomes, and to evaluate the outcomes and other results of its services. The evaluation plan should also include procedures to identify and resolve problems, and make improvements to the program as needed. The evaluation plan should identify roles and responsibilities for assuring on-going implementation.

Annual contract monitoring by the State may include site visits with comprehensive evaluation of several areas of performance. These may include review of conformance with standard contractual requirements, agency files, accounting practices, and case record keeping. In addition, on-going contract monitoring shall include a review of required reports and periodic assessment of program effectiveness.

4) Output and performance/outcome measurements

The measurements to determine the progress of this service include, but are not limited to:

- a. # of reviews conducted;
- b. # of site visits conducted;
- c. # of requests for nutrition consultation; and
- d. # of providers that enroll onto the USDA Food Program as a result of referrals.

The measures of success include, but are not limited to:

- a. % of child care facilities that require a nutrition review access this service;
- b. % of child care providers that require a site visit;
- c. % of child care providers that had a site visit and deficiencies in their meal service/menus were observed; and
- d. % of child care facilities reviewed that enroll onto the USDA Food Program.

5) Reporting requirements for program and fiscal data

The applicant shall submit monthly expenditure reports for the operation of the program that serve as invoices for reimbursement. The "Subgrantee's Invoice and Expenditure Report" (SIER) shall be the official form used by the applicant to request funds for the contract.

The applicant shall provide monthly reports that provide the Department with information regarding the efficiency and effectiveness of this service. Monthly reports shall minimally include an unduplicated count of:

- a. The number of nutrition reviews conducted;
- b. The number of site visits to licensed child care facilities conducted;
- c. The reason that a site visit to a center was conducted;
- d. The number of requests received for nutrition consultation;
- e. The number of providers who have enrolled with the USDA Food Service as a result of the consultant's referral;
- f. Problems encountered while providing nutrition reviews;
- g. Problems encountered while providing nutrition consultation; and
- h. Any other information upon Department's request.

Monthly reports shall be submitted with the SIER.

A final report of the program accomplishments shall be issued to the Department no later than 45 calendar days after the end of the fiscal year.

Periodic reports may be requested by the Department at any time.

6) Pricing structure or pricing methodology to be used

The applicant shall comply with Chapter 103F, HRS Cost Principles for Purchases of Health and Human Services identified in SPO-H-201 (effective 10/1/98), which can be found in the POS Manual. Cost principles represent guidelines in determining which types of expenditures will be reimbursed, payment dollar limits, payment policy constraints, and requirements for verification and documentation. The budget amount for the operation of the project must not exceed the amount stated in the RFP. Allowable costs to operate the program are reimbursable on a monthly basis after services are rendered. Any expenditure made or authorized by the applicant that is subsequently determined by the government to be unallowable shall be repaid to the State or offset against any other funds to which the applicant is entitled.

7) Units of service and unit rate

Not applicable.

Section 3

POS Proposal

Application

Section 3

POS Proposal Application Instructions

General instructions for completing applications:

- *POS Proposal Applications shall be submitted to the state purchasing agency using the prescribed format outlined in this section.*
- *The numerical outline for the application, the titles/subtitles, and the applicant organization and RFP identification information on the top right hand corner of each page should be retained. The instructions for each section however may be omitted.*
- *Page numbering of the POS Proposal Application should be consecutive, beginning with page one and continuing through the complete proposal.*
- *Proposals may be submitted in a three ring binder (Optional).*
- *Tabbing of sections (Recommended).*
- *Applicants must also include a Table of Contents with the POS Proposal Application. A sample format is reflected in Section 5, Attachment B of this RFP.*
- *A written response is required for **each** item unless indicated otherwise. Failure to answer any of the items will impact upon an applicant's score.*
- *Applicants are encouraged to take Section 4, Proposal Evaluation, into consideration when completing the proposal.*
- *This form (SPO-H-200A) is available on the SPO Website (for the website address see the Competitive POS Application Checklist in Section 5, Attachments). However, the form will not include items specific to each RFP. If using the website form, the applicant must include all items listed in this section.*

The POS Proposal Application comprises the following sections:

- *Title Page*
- *Table of Contents*
- *Background and Summary*
- *Experience and Capability*
- *Personnel: Project Organization and Staffing*
- *Service Delivery*
- *Financial*
- *Other*

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the proposal in such a way as to provide the State with a broad understanding of the entire proposal. Include a brief description of the applicants' organization, the goals and objectives related to the service activity, and how the proposed service is designed to meet the problem/need identified in the service specifications.

II. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the delivery of the proposed services. The applicant shall also provide a listing of verifiable experience with projects or contracts for the most recent five years that are pertinent to the proposed services.

B. Quality Assurance and Evaluation

The applicant shall describe its quality assurance and evaluation plans for the proposed services, including methodology.

C. Coordination of Services

The applicant shall demonstrate the capability to coordinate services with other agencies and resources in the community.

D. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the proposed services. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable, and special equipment that may be required for the services.

III. Personnel: Project Organization and Staffing

A. Proposed Staffing

The applicant shall describe the proposed staffing pattern, client/staff ratio and proposed caseload capacity appropriate for the viability of the services. (Refer to the personnel requirements in the Service Specifications, as applicable.)

B. Staff Qualifications

The applicant shall provide the minimum qualifications (including experience) for staff assigned to the program. (Refer to the qualifications in the Service Specifications, as applicable)

C. Supervision and Training

The applicant shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

D. Organization Chart

The applicant shall reflect the position of each staff and line of responsibility/supervision. (Include position title, name and full time equivalency) Both the "Organization-wide" and "Program" organization charts shall be attached to the POS Proposal Application.

IV. Service Delivery

The Service Delivery Section shall include a detailed discussion of the applicant's approach to applicable service activities and management requirements from Section 2, Item III. - Scope of Work, including (if indicated) a work plan of all service activities and tasks to be completed, related work assignments/responsibilities and timelines/schedules.

V. Financial

A. Pricing Structure

Applicants shall submit a cost proposal utilizing the pricing structure designated by the state purchasing agency. The cost proposal shall be attached to the POS Proposal Application.

The cost reimbursement pricing structure reflects a purchase arrangement in which the State pays the contractor for budgeted costs that are actually incurred in delivering the services specified in the contract, up to a stated maximum obligation.

The purchasing agency shall consider cost proposals based on "cost type" or "pure reimbursement" pricing structure from the applicants who are non-profit organizations licensed to do business in the State of Hawaii. "Cost type" involves payment of all incurred costs within a predetermined total estimated cost.

The purchasing agency shall consider cost proposals based on “cost-plus-fixed-fee” from the applicants who are for-profit organizations licensed to do business in State of Hawaii. “Cost-plus-fixed-fee” allows for payment of all incurred costs within a predetermined amount plus an agreed upon fee which will not change.

We anticipate these fees to be limited to 10% or less of the contract award.

Also, these fees need to be built within the contract ceiling. Please note, however, that the Department reserves the right to negotiate the final amount of fixed fee within the limits discussed above.

The purchasing agency shall select the applicable cost proposals subject to the legal standing of the applicant organization, e.g., non-profit or for-profit, and that are in the best interest of the state.

All budget forms, instructions and samples are located on the SPO website (see the POS Proposal Checklist in Section 5 for website address). The following budget form(s) shall be submitted with the POS Proposal Application:

- SPO-H-205 Budget
- SPO-H-205A Organization-Wide Budget by Source of Funds
- SPO-H-205B Organization-Wide Budget by Programs
- SPO-H-206A Budget Justification – Personnel: Salaries & Wages
- SPO-H-206B Budget Justification – Personnel: Payroll Taxes, Assessment & Fringe Benefits
- SPO-H-206C Budget Justification – Travel: Inter-island
- SPO-H-206E Budget Justification – Contractual Services: Administrative
- SPO-H-206F Budget Justification – Contractual Services: Sub-contracts
- SPO-H-206G Budget Justification – Depreciation
- SPO-H-206H Budget Justification – Program Activities
- SPO-H-206I Budget Justification – Equipment Purchases

B. Other Financial Related Materials

1) Accounting System

In order to determine the adequacy of the applicant’s accounting system as described under the administrative rules, the following documents are requested as part of the POS Proposal Application (may be attached):

- a. The applicant is to submit the organization’s most recent financial audit.
- b. The applicant is to submit a copy of the organization’s financial policies that relate to the expenditure of funds for this project.

2) Tax Clearance Certificate (Form A-6)

An original or certified copy of a current, valid tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) shall be submitted with the proposal by the due date and time. The two-part Tax Clearance Application (Form A-6) that combines DOTAX and IRS tax clearance shall be used for this purpose.

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

Section 4

Proposal Evaluation

Section 4 Proposal Evaluation

I. Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

II. Evaluation Process

The procurement officer or an evaluation committee of designated reviewers selected by the head of the state purchasing agency or procurement officer shall review and evaluate proposals. When an evaluation committee is utilized, the committee will be comprised of individuals with experience in, knowledge of, and program responsibility for program service and financing.

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of POS Proposal Application
- Phase 3 - Recommendation for Award

A. Evaluation Categories and Threshold

<u>Evaluation Categories</u>		<u>Possible Points</u>
Mandatory Requirements		Pass or Rejected
<i>POS Proposal Application</i>		100 Points
Background and Summary	10 points	
Experience and Capability	20 points	
Personnel: Project Organization and Staffing	10 points	
Service Delivery	50 points	
Financial	10 Points	
TOTAL POSSIBLE POINTS		100 Points

III. Evaluation Criteria

A. Phase 1 - Evaluation of Proposal Requirements

(1) *Administrative Requirements*

- Application Checklist
- Registration (if not pre-registered with the State Procurement Office)
- Tax Clearance Certificate

(2) POS Proposal Application Requirements

- POS Application Title Page (Form SPO-H-200)
- Table of Contents
- Background and Summary
- Experience and Capability
- Personnel: Project Organization and Staffing
- Service Delivery
- Financial (All required forms and documents)
- Program Specific Requirements (as applicable)

B. Phase 2 - Evaluation of POS Proposal Application (100 Points)

Each section listed below shall be evaluated using the following criteria:

Weighted points (0-5) for each sub-area will be given. The sum of weighted points given by the evaluators in all areas of each section will be divided by the maximum weighted points that could be allotted for that area. This quotient will be multiplied by the points assigned to each area, which is noted in parenthesis. The product will be the score for that area.

(1) Background and Summary (10 Points)

- The applicant has demonstrated a thorough understanding of the purpose and scope of the service activity.
- The goals and objectives are in alignment with the proposed service activity.
- The applicant has described how the proposed service is designed to meet the pertinent issues and problems related to the service activity.

(2) Experience and Capability (20 Points)

The State will evaluate the applicant's experience and capability relevant to the proposal contract, which shall include:

- Demonstrated skills, abilities, knowledge of, and experience relating to the delivery of the proposed services.
- Sufficiency of quality assurance and evaluation plans for the proposed services, including methodology.
- Demonstrated capability to coordinate services with other agencies and resources in the community.
- Adequacy of facilities relative to the proposed services.

(3) Personnel: Program Organization and Staffing (10 Points)

The State will evaluate the applicant's overall staffing approach to the service that shall include:

- That the proposed staffing pattern, client/staff ratio, and proposed caseload capacity is reasonable to insure viability of the services.
- Minimum qualifications (including experience) for staff assigned to the program.
- Demonstrated ability to supervise, train and provide administrative direction to staff relative to the delivery of the proposed services.
- Organization Chart (Approach and rationale for the structure, functions, and staffing of the proposed organization for the overall service activity and tasks).

(4) Service Delivery (50 Points)

Evaluation criteria for this section will assess the applicant's approach to the service activities and management requirements outlined in the POS Proposal Application.

- Extent to which the proposal clearly describes the overall program content and design.

- Services throughout the contract period are clearly described, including major milestones in deliver of services.
- Timelines and schedules for delivery of services are realistic.
- Extent to which there is management oversight of the project, including clarity of work assignments and responsibilities.
- Proposal clearly demonstrates an understanding of the evaluation expectations as outlined in the RFP.

(5) Financial (10 Points)

- Personnel costs are reasonable and comparable to positions in the community.
- Non-personnel costs are reasonable and adequately justified.
- The budget supports the scope of service and requirements of the Request for Proposal.
- Accounting system is adequate.
- Financial policies for the use of funds for this service is clearly presented.
- Tax Clearance Certificate (Form A-6) – An original or certified copy of a current, valid tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS).

IV. Phase 3 - Recommendation for Award

Each notice of award shall contain a statement of findings and decision for the award or non-award of the contract to each applicant.

Section 5

Attachments

Section 5

Attachments

<u>Attachment</u>	<u>Document</u>
A	Competitive POS Application Checklist
B	POS Proposal Application - Sample Table of Contents
C	Instructions for SPO-H-205A Organization-Wide Budget by Source of Funds
D	Instructions for SPO-H-205B Organization-Wide Budget by Programs
E	General Conditions
F	Special Conditions

Attachment A

Competitive POS Application Checklist

Competitive POS Application Checklist

Applicant: _____

RFP No.: HMS 302-04-02-S

The applicant's proposal must contain the following components in the order shown below. This checklist must be signed, dated and returned to the state purchasing agency as part of the POS Proposal Application. *SPO-H Forms are located on the web at <http://www.spo.hawaii.gov> Click on *Procurement of Health and Human Services* and then on *Procurement Forms & Instruction for Private Agencies*.*

Item	Reference in RFP	Format/Instructions Provided	Required by Purchasing Agency	Completed by Applicant
General:				
1. POS Proposal Application Title Page (SPO-H-200)	Section 1, RFP	SPO Website*	X	
2. Competitive POS Application Checklist	Section 1, RFP	Attachment A	X	
3. Table of Contents	Section 5, RFP	Section 5, RFP	X	
4. POS Proposal Application (SPO-H-200A)	Section 3, RFP	SPO Website*	X	
5. Registration Form (SPO-H-100A)	Section 1, RFP	SPO Website*	(Required if not Pre-Registered)	
6. Tax Clearance Certificate (Form A-6)	Section 1, RFP	SPO Website*	X	
7. Cost Proposal (Budget)				
SPO-H-205	Section 3, RFP	SPO Website*	X	
SPO-H-205A	Section 3, RFP	Section 5, RFP	X	
SPO-H-205B	Section 3, RFP	Section 5, RFP	X	
SPO-H-206A	Section 3, RFP	SPO Website*	X	
SPO-H-206B	Section 3, RFP	SPO Website*	X	
SPO-H-206C	Section 3, RFP	SPO Website*	X	
SPO-H-206D	Section 3, RFP	SPO Website*		
SPO-H-206E	Section 3, RFP	SPO Website*	X	
SPO-H-206F	Section 3, RFP	SPO Website*	X	
SPO-H-206G	Section 3, RFP	SPO Website*	X	
SPO-H-206H	Section 3, RFP	SPO Website*	X	
SPO-H-206I	Section 3, RFP	SPO Website*	X	
SPO-H-206J	Section 3, RFP	SPO Website*		
Certifications:				
8. Federal Certifications	Section 1, RFP	Section 5, RFP		
Debarment & Suspension		Section 5, RFP		
Drug Free Workplace Requirements		Section 5, RFP		
Lobbying		Section 5, RFP		
Program Fraud Civil Remedies Act		Section 5, RFP		
Environmental Tobacco Smoke		Section 5, RFP		
Program Specific Requirements:				
9. Organization Chart	Section 3, RFP		X	
10. Financial Statement/Policy	Section 3, RFP		X	

Authorized Signature

Date

Attachment B

Sample Table of Contents for the POS Proposal Application

POS Proposal Application Table of Contents

I.	Background and Summary	1
II.	Experience and Capability	
A.	Necessary Skills and Experience	2
B.	Quality Assurance and Evaluation	3
C.	Coordination of Services.....	4
D.	Facilities.....	5
III.	Personnel: Project Organization and Staffing	
A.	Proposed Staffing.....	6
B.	Staff Qualifications	7
C.	Supervision and Training	8
D.	Organization Chart (Program & Organization-wide - attached)	
IV.	Service Delivery.....	9
V.	Attachments	
A.	Cost Proposal	
1.	SPO-H-205 Proposal Budget	
2.	SPO-H-206A Budget Justification - Personnel: Salaries & Wages	
3.	SPO-H-206B Budget Justification - Personnel: Payroll Taxes and Assessments, and Fringe Benefits	
4.	SPO-H-206C Budget Justification - Travel: Interisland	
5.	SPO-H-206E Budget Justification - Contractual Services - Administrative	
B.	Other Financial Related Materials	
1.	Financial Audit for fiscal year ended June 30, 1991.	
C.	Performance and Output Measurement Tables	
1.		
D.	Program Specific Requirements	
1.		

Attachment C

Instructions for SPO- H-205A

Organization-Wide Budget by Source of Funds

**Instructions for Completing
FORM SPO-H-205A ORGANIZATION - WIDE BUDGET BY
SOURCE OF FUNDS**

Applicant/Provider:	Enter the Applicant's legal name.
RFP#:	Enter the Request For Proposal (RFP) identifying number of this service activity.
For all columns (a) thru (d)	<p>Report your total organization-wide budget for this fiscal year by source of funds. Your organization's budget should reflect the total budget of the "organization" legally named. Report each source of fund in separate columns, by budget line item.</p> <p>For the first column on the first page of this form, use the column heading, "Organization Total".</p> <p>For the remaining columns you may use column headings such as: Federal, State, Funds Raised, Program Income, etc. If additional columns are needed, use additional copies of this form.</p>
Columns (b), (c) & (d)	Identify sources of funding in space provided for column titles.
TOTAL (A+B+C+D)	Sum the subtotals for Budget Categories A, B, C and D, for columns (a) through (d).
SOURCE OF FUNDING: (a) (b) (c) (d)	Identify all sources of funding to be used by your organization.
TOTAL REVENUE	Enter the sum of all revenue sources cited above.
Budget Prepared by:	<p>Type or print the name of the person who prepared the budget request and their telephone number. If there are any questions or comments, this person will be contacted for further information and clarification.</p> <p>Provide signature of Applicant's authorized representative, and date of approval.</p>

Special Instructions by the State Purchasing Agency:

Not applicable.

Attachment D

Instructions for SPO- H-205B

Organization-Wide Budget by Programs

**Instructions for Completing
FORM SPO-H-205B ORGANIZATION - WIDE BUDGET BY PROGRAMS**

Applicant/Provider:	Enter the Applicant's legal name.
Columns (a) thru (d)	Report your total organization-wide budget by programs . Enter the name of the program, and the contract number or RFP number if applicable, at the top of the column. Enter anticipated expenditures for each program by line item. Include expenditures from all sources of funding to be used by your organization for this program (including the contract amount). If additional columns are needed, use additional copies of this form.
Contract/RFP #	For the first column on the first page of this form, use the column heading, "Organization Total".
SOURCE OF FUNDING: (a) Budget request (b) (c) (d)	Identify all sources of funding to be used by your organization.
TOTAL REVENUE	Enter the sum of all revenue sources cited above.
Budget Prepared by:	Type or print the name of the person who prepared the budget request and their telephone number. If there are any questions or comments, this person will be contacted for further information and clarification. Provide signature of Applicant's authorized representative, and date of approval.

Special Instructions by State Purchasing Agency:

Not applicable.

Attachment E

General Conditions

GENERAL CONDITIONS

1. Representations and Conditions Precedent

1.1 Agreement Subject to the Availability of State and Federal Funds.

1.1.1 State Funds. This Agreement is, at all times, subject to the appropriation of state funds, and may be terminated without liability to either the PROVIDER or the STATE in the event that state funds are not appropriated or available.

1.1.2 Federal Funds. To the extent that this Agreement is funded partly or wholly by federal funds, this Agreement is subject to the availability of such federal funds. The portion of this Agreement that is to be funded federally shall be deemed severable, and such federally funded portion may be terminated without liability to either the PROVIDER or the STATE in the event that federal funds are not available. In any case, this Agreement shall not be construed to obligate the STATE to expend state funds to cover any shortfall created by the unavailability of anticipated federal funds.

1.2 Representations of the PROVIDER. As a necessary condition to the formation of this Agreement, the PROVIDER makes the representations contained in this paragraph, and the STATE relies upon such representations as a material inducement to entering into this Agreement.

1.2.1 Compliance with Laws. As of the date of this Agreement, the PROVIDER complies with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the PROVIDER's performance of this Agreement.

1.2.2 Licensing and Accreditation. As of the date of this Agreement, the PROVIDER holds all licenses and accreditations required under applicable federal, state, and county laws, ordinances, codes and rules to provide the Required Services under this Agreement.

1.3 Compliance with Laws. The PROVIDER shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the PROVIDER's performance of this Agreement, including but not limited to the laws specifically enumerated in this paragraph:

GENERAL CONDITIONS

- 1.3.1 Smoking Policy. The PROVIDER shall implement and maintain a written smoking policy as required by Chapter 328K, Hawai'i Revised Statutes, or its successor provision.
- 1.3.2 Drug Free Work Place. The PROVIDER shall implement and maintain a drug free work place as required by the Drug Free Workplace Act of 1988, or its successor.
- 1.3.3 Persons with Disabilities. The PROVIDER shall implement and maintain all practices, policies, and procedures required by federal, state, or county law, including but not limited to the Americans with Disabilities Act (42 U.S.C. §12101, et seq.), and the Rehabilitation Act (20 U.S.C. §701, et seq.).
- 1.3.4 Nondiscrimination. No person performing work under this Agreement, including any subcontractor, employee, or agent of the PROVIDER, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.
- 1.4 Insurance. The PROVIDER shall obtain, maintain, and keep in force throughout the period of this Agreement liability insurance (the "Liability Insurance") issued by an insurance company in a combined amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00), or such lesser amount requested in writing by the PROVIDER and, for good cause shown, approved by the head of the purchasing agency, which approval, if any, is incorporated herein by reference, for bodily injury and property damage liability arising out of each occurrence. The Liability Insurance shall provide that it is the primary insurance for the State of Hawai'i, the purchasing agency, and their officers, employees, and agents for any liability arising out of or resulting from occurrences connected with the PROVIDER's performance under this Agreement. Prior to or upon execution of this Agreement, the PROVIDER shall obtain a certificate of insurance verifying the existence of the necessary liability insurance coverage, including the coverage of the State of Hawai'i, and its officers, employees, and agents. If the scheduled expiration date of the liability insurance policy is earlier than the expiration date of the time for performance under this Agreement, the PROVIDER, upon renewal of the policy, shall promptly cause to be provided to the STATE an updated certificate of insurance. The certificates of insurance shall expressly provide that the insurance policy shall not be cancelled unless the insurance company has first given to the STATE thirty (30) calendar days' written notice of the intended cancellation.

GENERAL CONDITIONS

- 1.5 Notice to Clients. Provided that the term of this Agreement is at least one year in duration, within ONE HUNDRED AND EIGHTY (180) days after the effective date of this Agreement, the PROVIDER shall create written procedures for the orderly termination of services to any clients receiving the Required Services under this Agreement, and for the transition to services supplied by another provider upon termination of this Agreement, regardless of the circumstances of such termination. These procedures shall include, at the minimum, timely notice to such clients of the termination of this Agreement, and appropriate counseling.
- 1.6 Reporting Requirements. The PROVIDER shall submit a Final Project Report to the STATE containing the information specified in Exhibit "B" to this Agreement if applicable, or otherwise satisfactory to the STATE, documenting the PROVIDER's overall efforts toward meeting the requirements of this Agreement, and listing expenditures actually incurred in the performance of this Agreement. The PROVIDER shall return any unexpended funds to the STATE.
- 1.7 Conflicts of Interest. In addition to the Certification provided in Exhibit "C" to this Agreement, the PROVIDER represents that neither the PROVIDER, nor any employee or agent of the PROVIDER, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the PROVIDER's performance under this Agreement.
- 1.8 Compliance with Managed Process. If this Agreement was entered into between July 20, 1998, and July 1, 2001, and extends beyond June 30, 2001, it is subject to a single review pursuant to the managed process developed pursuant to part III, section 6 of Act 230, 1998 Haw. Sess. Laws 785, 787. Pursuant to the managed process review, this Agreement may be cancelled, renegotiated, continued, or extended by the State.

2. Documents and Files

2.1 Confidentiality of Material.

- 2.1.1 All material given to or made available to the PROVIDER by virtue of this Agreement that is identified as proprietary or confidential information shall be safeguarded by the PROVIDER and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

2.1.2 All information, data, or other material provided by the PROVIDER to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, HRS, or its successor, and any other applicable body of law concerning information practices or confidentiality.

2.2 Ownership Rights and Copyright. The STATE shall have complete ownership of all material, both finished and unfinished that is developed, prepared, assembled, or conceived by the PROVIDER pursuant to this Agreement, and all such material shall be considered "works made for hire." All such material shall be delivered to the STATE upon expiration or termination of this Agreement. The STATE, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the PROVIDER pursuant to this Agreement.

2.3 Records Retention. The PROVIDER and any subcontractors shall maintain the books and records that relate to the Agreement, and any cost or pricing data for three (3) years from the date of final payment under the Agreement. In the event that any litigation, claim, investigation, audit, or other action involving the records retained under this provision arises, then such records shall be retained for three (3) years from the date of final payment, or the date of the resolution of the action, whichever ever occurs later. During the period that records are retained under this section, the PROVIDER and any subcontractors shall allow the STATE free and unrestricted access to such records.

3. Relationship between Parties

3.1 Coordination of Services by the STATE. The head of the purchasing agency, (which term includes the designee of the head of the purchasing agency), shall coordinate the services to be provided by the PROVIDER in order to complete the performance required in the Agreement. The PROVIDER shall maintain communications with the head of the purchasing agency at all stages of the PROVIDER's work, and submit to the head of the purchasing agency for resolution any questions which may arise as to the performance of this Agreement.

3.2 Subcontracts and Assignments. The PROVIDER may assign or subcontract any of the PROVIDER's duties, obligations, or interests under this Agreement, but only if (i) the PROVIDER obtains the prior written consent of the STATE and (ii) the PROVIDER's assignee or subcontractor submits to the STATE a tax clearance certificate from the Director of Taxation, State of Hawai'i, showing that all delinquent taxes, if any, levied or accrued under

GENERAL CONDITIONS

state law against the PROVIDER's assignee or subcontractor have been paid. Additionally, no assignment by the PROVIDER of the PROVIDER's right to compensation under this Agreement shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawai'i, as provided in section 40-58, HRS, or its successor provision.

- 3.3 Change of name. When the PROVIDER asks to change the name in which it holds this Agreement with the STATE, the procurement officer of the purchasing agency (hereinafter referred to as the "Agency Procurement Officer") shall, upon receipt of a document acceptable or satisfactory to the Agency Procurement Officer indicating such change of name such as an amendment to the PROVIDER's articles of incorporation, enter into an amendment to this Agreement with the PROVIDER to effect the change of name. Such amendment to this Agreement changing the PROVIDER's name shall specifically indicate that no other terms and conditions of this Agreement are thereby changed, unless the change of name amendment is incorporated with a modification or amendment to the Agreement under Section 4.1 of these general conditions.

3.4 Independent Contractor Status and Responsibilities, Including Tax Responsibilities.

- 3.4.1 In the performance of services required under this Agreement, the PROVIDER is an "independent contractor," with the authority and responsibility to control and direct the performance and details of the work and services required under this Agreement; however, the STATE shall have a general right to inspect work in progress to determine whether, in the STATE's opinion, the services are being performed by the PROVIDER in compliance with this Agreement.
- 3.4.2 Unless otherwise provided by special condition, the STATE shall be free to contract with other individuals and entities to provide services similar to those performed by the Provider under this Agreement, and the PROVIDER shall be free to contract to provide services to other individuals or entities while under contract with the STATE.
- 3.4.3 The PROVIDER and the PROVIDER's employees and agents are not by reason of this Agreement, agents or employees of the State for any purpose. The PROVIDER and the PROVIDER's employees and agents shall not be entitled to claim or receive from the State any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees. Unless

specifically authorized in writing by the DIRECTOR, the PROVIDER and the PROVIDER's employees and agents are not authorized to speak on behalf and no statement or admission made by the PROVIDER or the PROVIDER's employees or agents shall be attributed to the STATE, unless specifically adopted by the DIRECTOR in writing.

- 3.4.4 The PROVIDER shall be responsible for the accuracy, completeness, and adequacy of the PROVIDER's performance under this Agreement. Furthermore, the PROVIDER intentionally, voluntarily, and knowingly assumes the sole and entire liability to the PROVIDER's employees and agents, and to any individual not a party to this Agreement, for all loss, damage, or injury caused by the PROVIDER, or the PROVIDER's employees or agents in the course of their employment.
- 3.4.5 The PROVIDER shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the PROVIDER by reason of this Agreement, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The PROVIDER also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Agreement.
- 3.4.6 The PROVIDER shall obtain a general excise tax license from the Department of Taxation, State of Hawai'i, in accordance with section 237-9, HRS, or its successor provision, and shall comply with all requirements thereof. The PROVIDER shall obtain a tax clearance certificate from the Director of Taxation, State of Hawai'i, showing that all delinquent taxes, if any, levied or accrued under state law against the PROVIDER have been paid and submit the same to the STATE prior to commencing any performance under this Agreement. The PROVIDER shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under sections 103-53 and 237-45, HRS, or their successor provisions, and these General Conditions.
- 3.4.7 The PROVIDER is responsible for securing all employee-related insurance coverage for the PROVIDER and the PROVIDER's employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

GENERAL CONDITIONS

3.5 Personnel Requirements.

3.5.1 The PROVIDER shall secure, at the PROVIDER's own expense, all personnel required to perform this Agreement, unless otherwise provided in this Agreement.

3.5.2 The PROVIDER shall ensure that the PROVIDER's employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Agreement, and that all applicable licensing and operating requirements imposed or required under federal, state, or county law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

4. Modification and Termination of Agreement

4.1 Modifications of Agreement.

4.1.1 In writing. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Agreement permitted by this Agreement shall be made by written amendment to this Agreement, signed by the PROVIDER and the STATE.

4.1.2 No oral modification. No oral modification, alteration, amendment, change, or extension of any term, provision or condition of this Agreement shall be permitted.

4.1.3 Tax clearance. The STATE may, at its discretion, require the PROVIDER to submit to the STATE, prior to the STATE's approval of any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Agreement, a tax clearance from the Director of Taxation, State of Hawai'i, showing that all delinquent taxes, if any, levied or accrued under state law against the PROVIDER have been paid.

4.2 Termination in General. This Agreement may be terminated in whole or in part for a reduction in funds available to pay the PROVIDER, or when, in its sole discretion, the STATE determines (i) that there has been a change in the conditions upon which the need for the Required Services was based, (ii) that the PROVIDER has failed to provide the Required Services adequately or satisfactorily, or (iii) that other good cause for the whole or partial termination of this Agreement exists. Termination under this section shall be

made by a written notice sent to the PROVIDER ten (10) working days prior to the termination date that includes a brief statement of the reason for the termination.

- 4.3 Termination for Necessity or Convenience. If the STATE determines, in its sole discretion, that it is necessary or convenient, this Agreement may be terminated in whole or in part at the option of the STATE upon ten (10) working days' written notice to the PROVIDER. If the STATE elects to terminate under this section, the PROVIDER shall be entitled to reasonable payment as determined by the STATE for satisfactory services rendered under this Agreement up to the time of termination. If the STATE elects to terminate under this section, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.
- 4.4 Termination by Contractor. The PROVIDER may withdraw from this Agreement after obtaining the written consent of the STATE. The STATE, upon the PROVIDER's withdrawal, shall determine whether payment is due to the PROVIDER, and the amount that is due. If the STATE elects to terminate under this section, the PROVIDER shall cooperate with the STATE to effect an orderly transition of services to clients.
- 4.5 State's Right of Offset. The STATE may offset against any monies or other obligations the STATE owes to the PROVIDER under this Agreement, any amounts owed to the State of Hawai'i by the PROVIDER under this Agreement, or any other agreement, or pursuant to any law or other obligation owed to the State of Hawai'i by the PROVIDER, including but not limited to the payment of any taxes or levies of any kind or nature. The STATE shall notify the PROVIDER in writing of any exercise of its right of offset and the nature and amount of such offset. For purposes of this paragraph, amounts owed to the State of Hawai'i shall not include debts or obligations which have been liquidated by agreement with the PROVIDER, and that are covered by an installment payment or other settlement plan approved by the State of Hawai'i, provided, however, that the PROVIDER shall be entitled to such exclusion only to the extent that the PROVIDER is current, and in compliance with, and not delinquent on, any payments, obligations, or duties owed to the State of Hawai'i under such payment or other settlement plan.

5. Indemnification

- 5.1 Indemnification and Defense. The PROVIDER shall defend, indemnify, and hold harmless the State of Hawai'i, the contracting agency, and their officers,

GENERAL CONDITIONS

employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefor, arising out of or resulting from the acts or omissions of the PROVIDER or the PROVIDER's employees, officers, agents, or subcontractors under this Agreement. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Agreement.

- 5.2 Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the PROVIDER in connection with this Agreement, the PROVIDER shall pay all costs and expenses incurred by or imposed on the STATE, including attorneys' fees.

6. Miscellaneous Provisions

- 6.1 Nondiscrimination. No person performing work under this Agreement, including any subcontractor, employee, or agent of the PROVIDER, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

- 6.2 Publicity. Any and all publicity that the PROVIDER may undertake in connection with the Required Services, shall be subject to the limitations of Section 3.4.3 of these General Conditions, and the requirements of this section:

6.2.1 Acknowledgment of State Support. Subject to the limitations of Section 3.4.3 of these General Conditions, the PROVIDER shall, in all news releases, public statements, announcements, broadcasts, posters, programs, computer postings, and other printed, published, or electronically disseminated materials relating to the PROVIDER's performance under this Agreement, acknowledge the support by the State of Hawai'i and the purchasing agency through appropriations made by the Legislature of the State of Hawai'i.

6.2.2 The PROVIDER shall not refer to the STATE, or any office, agency, or officer thereof, or any State employee, including the head of the purchasing agency, the chief procurement officer, the DIRECTOR, the Agency procurement officer, or to the services or goods, or both, provided under this Agreement, in any of the PROVIDER's publicity not related to the PROVIDER's performance under this Agreement, including but not limited to commercial advertisements, recruiting materials, and solicitations for charitable donations.

GENERAL CONDITIONS

- 6.3 Section Headings. The section headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They shall not be to define, limit or extend the scope or intent of the sections to which they pertain.
- 6.4 Antitrust Claims. The STATE and the PROVIDER recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the purchaser. Therefore, the PROVIDER hereby assigns to STATE any and all claims for overcharges as to goods and materials purchased in connection with this Agreement, except as to overcharges which result from violations commencing after the price is established under this Agreement and which are not passed on to the STATE under an escalation clause.
- 6.5 Governing Law. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of the State of Hawai'i. Any action at law or in equity to enforce or interpret the provisions of this Agreement shall be brought in a state court of competent jurisdiction in Honolulu, Hawai'i.
- 6.6 Conflict between General Conditions and Procurement Rules. In the event of a conflict between the General Conditions and the Procurement Rules or a Procurement Directive, the Procurement Rules or any Procurement Directive in effect on the date this Agreement became effective shall control and are hereby incorporated by reference.
- 6.7 Entire Agreement. This Agreement sets forth all of the agreements, conditions, understandings, promises, warranties, and representations between the STATE and the PROVIDER relative to this Agreement. This Agreement supersedes all prior agreements, conditions, understandings, promises, warranties, and representations, which shall have no further force or effect. There are no agreements, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the PROVIDER other than as set forth or as referred to herein.
- 6.8 Severability. In the event that any provision of this Agreement is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Agreement.
- 6.9 Waiver. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Agreement shall not constitute or be

deemed to constitute a waiver or relinquishment of the STATE's right to enforce the same in accordance with this Agreement. The fact that the STATE specifically refers to one provision of the Procurement Rules or one section of the Hawai'i Revised Statutes, and does not include other provisions or statutory sections in this Agreement shall not constitute a waiver or relinquishment of the STATE's rights or the PROVIDER's obligations under the Procurement Rules or statutes.

- 6.10 Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one instrument.

Attachment F

Special Conditions

SPECIAL CONDITIONS

The Department shall require that the provider who is awarded this contract present a certificate of insurance in the amount of two million and no/100 dollars (\$2,000,000.00), for bodily injury and property damage liability arising in connection with the provider's performance under this Agreement.